

## **Summary of Jackson County 2016 Annual Adjustment Methodology**

### **Method**

The sales comparison method using local market data was used to adjust the assessments in Jackson County for 2016. The annually adjusted values used in the 2016 ratio study were developed based on updated Local Cost Multipliers, updated application of physical depreciation and any changes in parcel characteristics discovered during the 2018 Cyclical Reassessment Phase II review and new construction field activities. The sales used for the 2016 annual adjustments were from January 1, 2014 to December 31, 2015.

Land base rates and neighborhood factors were examined in each neighborhood and property class. Neighborhoods with an insufficient number of sales were compared to significantly similar neighborhoods. The criteria for comparison were geographic location, similarity of land size and improvement type and age, and any other factors deemed relevant. Comparisons were also made between adjoining neighborhoods and townships to insure the continuity of land base rates and neighborhood factors.

Due to the lack of adequate paired sales or re-sales data, a reliable indication of overall market movement in Jackson County, solely as a function of time, cannot be reasonably supported. Therefore, no time adjustment has been applied to any property class.

The additional tab "Sales Reconciliation" provides an explanation of all sales identified in the "*Jackson Sales Reconciliation 03-01-2016.xlsx*."

### **Industrial Improved Properties:**

There were 2 valid improved industrial sales during the study's sales horizon. They were combined with the improved and vacant commercial property sales for analysis.

### **Commercial Improved Properties:**

There were 21 valid sales countywide whose data were combined for analysis.

### **Commercial and Industrial Land:**

There was 1 valid sale for vacant commercial and no valid sales for vacant industrial properties during the study time period. It was combined with the improved property sales for analysis.

**Residential Vacant:** Sales for vacant residential properties include all valid transactions occurring from January 1, 2014 to December 31, 2015. There were an insufficient number of sales to allow for a credible analysis of individual townships. Due to the low number of sales, the Spearman Rank test was performed which showed no evidence of vertical inequity (see Study Summary Tab).

**Residential Improved:** Sales for improved residential properties included all valid transactions occurring from January 1, 2014 to December 31, 2015. It was necessary to group Carr and Driftwood Townships, Grassy Fork, Hamilton and Owen Townships and Pershing, Salt Creek and Washington Townships in order to enhance the statistical reliability of the study. The sales used in the combined analysis of Carr and Driftwood Townships were less than 20. The Spearman Rank test was performed on each of these groupings and showed no evidence of vertical inequity (see Study Summary Tab).